Government of Saskatchewan

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Cattle Market Update

For the Week Ending August 28, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Aug. 28/2015	Average	N.A.	$334.33	$326.17	$305.17	$282.83	$260.67	N.A
Aug. 28/2015	Range	N.A.	324-360	313-357	295-325	270-300	251-273	N.A
week/week	Change	N./A.	N.A.	N.A.	$4.84	$6.00	$2.17	N.A
Aug. 21/2015	Average	N.A.	N.A.	N.A.	$300.33	$276.83	$258.50	$248.50
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Aug. 28/2015	Average	N.A.	$315.67	$294.17	$269.83	$253.25	$244.67	
Aug. 28/2015	Range	N.A.	300-340	280-315	260-397	241-269	236-253	
week/week	Change	N.A.	N.A.	-$6.00	-$9.84	-$1.42	$2.75	
Aug. 21/2015	Average	N.A.	N.A.	$300.17	$279.67	$254.67	$241.92	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

Canfax reported that a total of 4,823 head of cattle were sold in Saskatchewan this week, up from 3,069 head marketed the previous week. With higher volumes of feeder cattle for sale in Saskatchewan from the previous week, more feeder weight categories had prices reported.

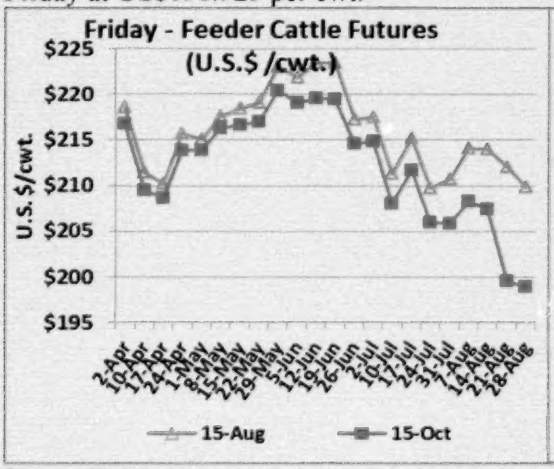
Saskatchewan feeder steers had prices reported for the weight categories between 400 lb. and 900 lb. Prices in the weight categories (600 lb. to 900 lb.) with previous week comparisons increased between $2.17 per cwt and $6.00 per cwt. The 700-800 lb. feeder steer weight category gained the most increasing $6.00 per cwt to average $282.83 per cwt.

Feeder heifer prices were reported for the weight categories between 400 lb. and 900 lb. Feeder heifer prices over the week were primarily lower and ranged from $9.84 per cwt lower to $2.75 per cwt higher. The 600-700 lb. weight category had the largest loss declining $9.84 per cwt, while the 800-900 lb. weight category had the only gain over the week increasing $2.75 per cwt.

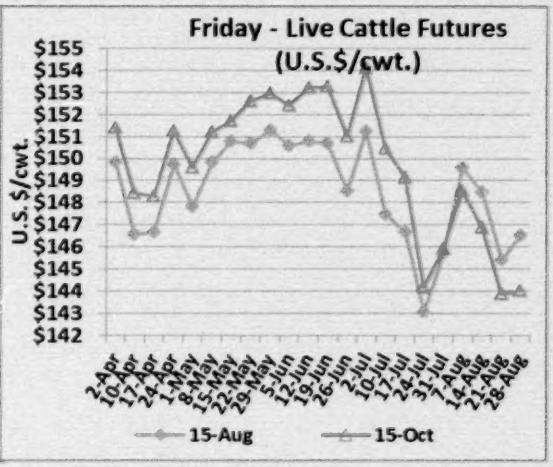
The Saskatchewan 750 lb. feeder steer basis compared to the August 27, 2015, U.S. feeder cattle index at US$209.85 per cwt was calculated at **+$5.51** per cwt (US$209.85/0.7567-$282.83), a basis narrowing of $12.13 per cwt from the basis of -$6.62 per cwt the previous week.

Global stock markets in general were lower and volatile early in the week as Chinese stock markets were down sharply on concerns of a weaker Chinese economy. The fear caused increased volatility into some of the commodity markets.

Feeder cattle futures prices were lower early in the week before moving higher Thursday and Friday, but ended the week primarily lower, week-over-week. The August contract declined $2.150 per cwt to expire at US$209.850 per cwt. The September contract was slightly higher to settle Friday at $202.400 per cwt, while the October contract declined US$0.550 per cwt to settle Friday at US$198.925 per cwt.



Source: CME



Source: CME

Live cattle futures prices were also lower early in the week rebounding Thursday and Friday to edge higher, week-over week. The nearby August contract increased US$1.100 per cwt to settle Friday at US$146.525 per cwt, while the October contract increased US$0.125 per cwt to settle Friday at US$143.975 per cwt.

Iowa cash corn prices were steady week-over-week, while the nearby corn futures edged slightly lower. Iowa cash corn prices on Friday were US$3.39 per bushel, unchanged from US$3.39 per bushel the previous Friday. The September corn futures contract declined two cent to settle Friday at US$3.63¼ per bushel, while the December futures contract declined just over two cents to settle Friday at $3.75 per bushel.

Fed and Non-fed Cattle

	August 28, 2015	August 21, 2015	Change over Week
Steers (Alberta)			
Live	$181.36	$183.84	-$2.48
Rail	$301.50-306.50	$306.00-307.50	-$4.50to-1.00
Cows (Alberta)			
D1,2 Live	$139.93	$141.60	-$1.67
D3 Live	$127.80	$129.00	-$1.20
Rail	$269-274	$269-274	n/c

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. For the week D1,2 slaughter cows declined $1.67 per cwt to average $139.93 per cwt, while the price of D3 slaughter cows declined $1.20 per cwt to average $127.80 per cwt.

Fed cattle prices in Western Canada for Alberta fed steers were reported to average $181.36 per cwt for the week, down $2.48 per cwt from $183.84 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$144.86 per cwt, down US$2.33 per cwt from US$147.19 per cwt the previous week, and down 6.8 per cent from US$155.45 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$227.37 per cwt, down US$5.23 per cwt from US$232.62 per cwt the previous week, and down 7.1 per cent from US$244.66 per cwt the same week a year ago.

Friday Price Information

Product		This Week (August 28, 2015)	Week of: (August 21, 2015)	Week of: (August 29, 2014)
Canadian Dollar (closing rate US$)		.7567	.7594	.9197
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		209.85	215.25	218.51
Seven-day Weighted Average FC Index Wt. (lb.)		772	767	760
Live Fed 5-area Steer Price (US$ per cwt)		144.86	147.19	155.45
Feed Grains				
Barley	Lethbridge ($/tonne)	N/A	N/A	176.00
	($ per bu.)	N/A	N/A	3.83
Corn	Iowa State Average (CDN$/tonne)*	176.37	175.74	148.53
	(US$ per bu.)	3.39	3.39	3.47
	Omaha, NE (CDN$/tonne)*	187.29	190.26	156.67
	(US$ per bu.)	3.60	3.67	3.66
Futures				
	Sept. Corn (US$ per bu.)	3.63¼	3.65¼	3.59
	Dec. Corn (US$ per bu.)	3.75	3.77¼	3.64¾
	Aug. Live Cattle (US$ per cwt)	146.525	145.425	155.900
	October Live Cattle (US$ per cwt)	143.975	143.850	151.425
	Aug. Feeder Cattle (US$ per cwt)*expiry	209.850	212.000	218.510
	October Feeder Cattle (US$ per cwt)	198.925	199.475	216.725

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

Choice beef cutout prices (600-900 lb.) averaged US$243.97 per cwt over the week, down US$1.78 per cwt or 0.7 per cent from US$245.75 per cwt the previous week, and down 1.5 per cent from US$247.75 per cwt the same week a year ago. While beef cutout values are currently below year-ago record levels, cutout prices are still strong and well above the 10-year average.

Beef production for the week was estimated at 452.4 million lb., up 1.4 per cent from 446.0 million lb. the previous week, but down 5.2 per cent from 477.2 million lb. the same week a year ago.

Cattle slaughtered over the week were estimated at 545,000 head, 0.9 per cent higher from 540,000 head the previous week, but down 7.2 per cent from 588,000 head the same week a year ago.

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